

Correspondence between SG officials and GFG - 9 October 2016.

REDACTED,

See your points. We tried to keep this PPA as simple as possible and I telephoned REDACTED to walk her through this approach. REDACTED

I thought this would suit better than one PPA that sought to cover both.

However we can definitely add some of your other points.

REDACTED

Hope this explains and is helpful. Shall we all jump on a call to discuss this tomorrow? Could I suggest 3pm?

Jay

Jay Hambro

Chief Investment Officer

Chief Executive Energy & Mining Divisions

SIMEC Group Limited

www.simec.com

jay.REDACTED

Tel: [REDACTED](tel:REDACTED)

On 9 Oct 2016, at 18:06, "REDACTED@gov.scot" <REDACTED@gov.scot> wrote:

Shashwat / Jay

REDACTED Is a draft PPA in preparation?

[REDACTED](#)

[Delivery schedule / Control](#) – REDACTED Please clarify your expectations.

[REDACTED](#)

[REDACTED](#)

[Wires](#) – Who will own and maintain the private wire network?

[Taxes](#) – “Taxes and charges in relation to the supply - Assumption of private wire supply. Any charges or taxes introduced in relation to this to be paid by Offtaker”. What charges and taxes are foreseen?

Please return comments to the EY team (this copy list) as I'm on leave next week.

REDACTED

From: Shashwat Sharma [<mailto:REDACTED>]

Sent: Thursday, October 06, 2016 7:46 PM

To: REDACTED@gov.scot; REDACTED@uk.ey.com>; REDACTED@uk.ey.com>; Jay Hambro <REDACTED>; REDACTED
Cc: REDACTED <REDACTED@uk.ey.com>; REDACTED@gov.scot; REDACTED@uk.ey.com>; REDACTED@uk.ey.com>; REDACTED@gov.scot; REDACTED@gov.scot; REDACTED@gov.scot
Subject: RE: Project Golf - follow up

Hello REDACTED

As agreed, Please see attached the Principal Terms of the PPA between Lochaber Smelter and Hydro

Reagds

Shashwat

Correspondence between SG officials and GFG - 12 November 2016

REDACTED

Please see the attached from REDACTED.

[REDACTED]

As this has been processed overnight we have not had a chance to doublecheck the numbers/years as set but we are on this now and this paper serves to address the principles.

We will send modelling scenarios to support this on receipt of feedback.

I am copying in REDACTED the author so questions can be addressed to him direct OR me. thanks

From: REDACTED@gov.scot [mailto:REDACTED@gov.scot]

Sent: 11 November 2016 19:26

To: Jay Hambro

Cc: REDACTED@gov.scot; Murray.Sinclair@gov.scot; Caroline.Beattie@gov.scot; REDACTED@gov.scot; REDACTED@gov.scot; REDACTED@gov.scot; REDACTED@macroberts.com; Liz.Ditchburn@gov.scot

Subject: State Aid 80% - REDACTED view

Jay

Following on from Liz's letter sent to you this afternoon, I understand that

REDACTED

REDACTED. REDACTED

REDACTED REDACTED

REDACTED

Correspondence between SG officials and GFG - 13 November 2016

New version with that change added.

[REDACTED]

REDACTED

From: Jay Hambro [mailto:REDACTED]

Sent: 13 November 2016 20:31

To: REDACTED

Cc: REDACTED; REDACTED@macroberts.com; REDACTED@macroberts.com; REDACTED REDACTED); REDACTED@uk.ey.com; REDACTED@uk.ey.com; REDACTED@uk.ey.com

Subject: RE: GFG undertakings letter (SG version)

Thanks REDACTED. I think the drafting works for us. REDACTED

Community engagement and buy-out aspirations

- We appreciate that community ownership is at the heart of Scottish Government's community empowerment agenda and commit to working with the Scottish Government, Highlands & Island Enterprise, the East Lochaber and Laggan Community Trust (ELLCT) and other stakeholders to maximise the land asset for the long-term sustainable development of the community.
- We commit to engage positively with all relevant communities and tenants in the development of the estate lands; and to work with the ELLCT and other community ownership trusts to enter into community land transactions in relation to significant portions thereof.

From: REDACTED@gov.scot [mailto:REDACTED@gov.scot]

Sent: 13 November 2016 16:24

To: Jay Hambro

Cc: DGEconomy@gov.scot; REDACTED@macroberts.com; REDACTEDDavid@macroberts.com; REDACTED@gov.scot; REDACTED@gov.scot; REDACTED@gov.scot; REDACTED@uk.ey.com; REDACTED@uk.ey.com; REDACTED@uk.ey.com

Subject: GFG undertakings letter (SG version)

Jay

We've adjusted the undertakings letter, working from your original draft. Back to you.

REDACTED

Correspondence between SG officials and GFG - 18 November 2016

Jay

I spoke with REDACTED last night about recent progress and outstanding issues on the legal front, particularly having regard to the diminishing time available for agreement.

It was pleasing to hear how much has been accomplished in recent days subject to confirmation of the structures for the guarantee. REDACTED

This positive view is, of course, predicated on the assumption of reaching early agreement on the power supply arrangements.

REDACTED Our submissions to the Permanent Secretary and the Finance Committee were based on the security package and structures as we understood them to be.

REDACTED

This appears to be the last significant hurdle to be overcome in relation to the guarantee and security package. REDACTED has our clear instruction to pursue a model that is strongest from a Scottish Government perspective.

As you know, EY has recommended REDACTED REDACTED. We think this may be an issue that surfaces at the Committee on Tuesday and we will need to know more from you in advance about how the debt raised will be set-aside for the wheels plant.

We are now almost out of time so I encourage further progress in the course of today. REDACTED REDACTED

Regards

Liz

Ditchburn

DG

Economy